FOR MYSORE STATE

Development (1950) Department.

MS SERIES.

G.O. No. 1186

Dated. 24-3-1950

[Despatch Abstract.]

Accounts - Grant III Forest
Loss due to advance made by Hom.
and Forests becomi
Note for the P.A. committee - Paras
Recorded

NOTE FILE

DEVELOPMENT DEPARTMENT.

NOTE FOR THE PUBLIC ACCOUNTS COMMITTEE.

(Paragraph 3(1) on page 40 of the Appropriation Accounts for 1946-47 and the Audit Report, 1948).

Subject:- Grant IV - Loss due to the advance made to contractors by rangers and foresters becoming irrecoverable).

ACCOUNTANT-GENERAL'S REMARKS.

Advances amounting to Rs.14,774 made to contractors by Rangers and Foresters of a Forest Engineering Division from 1941-42 to 1945-46 became irrecoverable due to the recklessness of the subordinate authorities and the slackness of the Superior Officers concerned. The loss was written off by Government.

A similar advance of Rs.7,939 made by a ranger to labourers from April 1942 to December 1943 also became irrecoverable and was written off by Government.

NOTE BY THE DEVELOPMENT DEPARTMENT.

During the period of war, the Forest Engineering Division of the Forest department had to undertake the construction of certain road works and extraction paths in the interior forests to facilitate the transport of timber for defence purposes. The works were very urgent and had to be pushed through as expeditiously as possible. The advances were made for the execution of these works.

2. Dependable contractors with any means were not available to take up the works as they were in remote and unhealthy localities and as the sanctioned rates were below those paid by other departments. The Range Officers had therefore to engage a large gang of coolies and also on their own responsibility and ~~ks~~ had to advance to a considerable number of petty job workers having practically no means at all but on whom they had necessarily to depend for the speedy execution of the works within the minimum time possible. Most of these job workers were those picked up from among the labourers and it was not practicable for Range Officers to impose conditions and take precautionary measures such as enguiring into their solvency, taking security etc., before granting advances. The Chief Conservator of Forests has reported that if these conditions had been imposed, the work could not have been completed as speedily as anticipated.

3. Considering the magnitude of the works in their charge, the subordinates had even to advance amounts exceeding their limits and for such advances formal sanctions were accorded by the Forest Engineer on condition that the responsibility for recovery of these amounts was entirely that of the Rangers. Most of the job workers showed good progress in the beginning but on account of the remoteness and unhealthy nature of the localities concerned, many of their labourers fell ill and those who left on account of sickness never returned. The job workers also, who were at first tempted by advances given left the works on plea of fetching those labourers back or getting fresh labourers but they too never returned as they were neither able to get back their labouerers nor recruit fresh ones, and as they found later on that the rates were not sufficient to meet the cost of such contingencies as the days lost in sickness, days spent in travelling from distant villages to the work spot, etc. The level of wages rose up but the rates for the works were not revised. The result of all these was that the job workers failed miserably and became defaulters in repayment of advances.

p.t.o.

4. The total amount of advances which became irrecoverable was Rs.22,713 and the Chief reasons which led to the advances becoming irrecoverable were:--

(i) that the road works done in the forest engineer's division for which the advances were made were of an emergent nature as they were intended to facilitate transport of timber for defence purposes during the period of war;

(ii) the localities where the works had to be executed were situated in remote and unhealthy tracts where amenities and commodities of life were not available;

(iii) the sanctioned rates for the works were lower than those paid by other departments for similar works in the plaints, i.e., healthy tracts nearer to villages;

(iv) no reliable contractor was willing to take up the works at the sanctioned rate on account of the reasons mentioned in items (ii) and (iii) above.;

(v) in view of the facts mentioned above the subordinates had no other go but to engage the petty job workers and advance them with money to get the works done through them.

(vi) most of the job workers defaulted in their obligations for the reasons stated in paragraph 3 above and others who ventured to do the works lost heavily and consequently were not able to repay the advances taken by them.

5. In all, the subordinates were responsible for the loss of Rs.22,713. The explanations of all the subordinates were obtained and considered. Finally in view of the reasons which caused the losses, the Government sanctioned the write off of the losses with the following remarks.

"The Government view with displeasure the recklessness displayed by the subordinate officers responsible for the grant of advances which have become irrecoverable and the slackness of the Superior Officers which has resulted in the loss to the Government. "

6. On ranger was responsible for the loss of Rs.7,939. His pension was reduced by Rs.3-2-0 per mensem.

7. The Government also ordered that the grant of such irregular advances should be stopped at once and that strict supervision should be exercised over such activities. The Government also considered in consultation with the Chief Conservator of Forests the ways and means to be adopted for putting an end to the grant of irrecoverable advances. The Chief Conservator of Forests reported that the rules contained in the Madras Financial Code and the Madras Forest Department Code regarding the grant of advances and their recovery are adequate for ordinary practical working and protection of Government interests. The Government have however directed that advances to contractors should be granted with more caution and have ordered the Chief Conservator of Forests to draw the attention of all officers and Subordinates to the rules contained in the Madras Forest Department Code and the Madras Financial Code and also to warn them that they would be held personally responsible to make good such advances as might become irrecoverable and that as a rule a second advance should not be paid to any contractor until at least 75 per cent of the advance granted previously had been recovered by work done and the Madras Forest Department Code has been suitably amended. It is considered that these strict instructions will adequately safeguard the interests of the Government against such losses in future.

K.G.Menon 18-4-49.

77 Page 40, Para 3(i)

Extract from the Report of the Public Accounts Committee for 1946-47.

Ref:

We have considered the explanations submitted to us in the following cases and have accepted them and we consider that adequate action has been taken where action was necessary.

xx xx - xx

Reference to Audit and Appropriation Accounts for 1946-47.	Head of Account	Defect brought to notice.	Explanation submitted to the Committee.
77 Page 40, Paragraph 3(i)	Grant IV Forest	Loss due to the advance made to contractors by Rangers and Foresters becoming irrecoverable.	The Chief reasons which led to the advances becoming irrecoverable were:-

(1) that the road works, done in forest Engineer's division for which the advances were made were of an emergent nature as they were intended to facilitate transport of timber for defence purposes during the period of war;

(2) the localities where the works had to be executed were situated in remote and unhealthy tracts where amenities and commodities of life were not available.

(3) the sanctioned rates for the works were lower than those paid by other departments for similar works in the plains i.e. healthy tracts nearer to villages;

(4) no reliable contactor was willing to take up the works at the sanctioned rate on account of the reasons mentioned in items (2) and (3) above;

(5) in view of the facts mentioned the subordinates had no other go but to engage the party job workers and advance them with money to get the works done through them;

(6) most of the job workers defaulted in their obligations and others who ventured to do the works lost heavily and consequently were not able to repay the advances taken by them.

In all, the subordinates were responsible for the loss of Rs.22,713. The explanations of all the subordinates were obtained and considered. Finally in view to the reasons which caused the losses, the Government sanctioned the write off of the losses with the following remarks.

"The Government view with displeasure the recklessness displayed by the subordinate officers responsible for the grant of adfances which have become irrecoverable and the slackness of the superior officers which has resulted in the loss to the Government".

One Ranger was responsible for the loss of Rs.7,939. His pension was reduced by Rs.3-2-0 per mensem.

The Government have issued necessary strict instructions to adequately safeguard the interests of the Government against such losses in future.

(True Copy)

RB: 22 -7

Superintendent.

NOTE FILE

DEVELOPMENT DEPARTMENT.

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The note for the P.A. Committee on pp. 17-21 above is submitted for perusal. The P.A. Committee has accepted the explanation for the item mentioned in the note. Please see the record if proceedings at 'A' on p. 23 of the printed report and item 77 on p. 41 of the report. No furhher action is therefore called for in this file. The papers may be recorded for future reference.

Better add the necessary extracts to the file.

Sd/- xx
18-3-50

G.O.Ms.1185, dated 24-3-50.

Accounts-~~Summary~~ Grant IV
Forest Loss due to advances made to contractors by rangers and foresters becoming irrecoverable - Note for the P.A. Committee - Papers recorded.

ORDERS ABOVE:

Necessary extracts have been taken from the Report of the P.A.Committee and added to this file. These papers may now be recorded for future reference as already ordered.

Sd/- xx
24-3-50.

(True Copy)

Superintendent.

RB: 10-8. K. Shankar 10/8/53.
K.V. Ambujalakshmi